

# RESPONSE TO U.S. EPA CERCLA SECTION 104(e) INFORMATION REQUEST

## LOWER DUWAMISH WATERWAY SEATTLE, WASHINGTON

\*\*\*\*\*

Subject Property: Lonestar Investors LP  
6335 1<sup>st</sup> Ave. S  
Seattle, WA 98134

King County Parcel: 5367204505

Inquiry Period: 1984 to present

Period of Ownership: 31 May 2000 to present

\*\*\*\*\*

This response and accompanying documents (hereinafter "Response") are provided in response to the 23 April 2009 104(e) Request from USEPA Region 10 ("Request") regarding the Lower Duwamish Waterway Superfund Site ("Site"). All matters related to this response should be directed to the designated contact person identified below. The responses below are shown in **bold** and pertain to the period of ownership for the subject property identified above. Information dating prior to 2000 could not be verified or is not available.

### INFORMATION REQUEST QUESTIONS AND RESPONSES

#### 1. Respondent Information

- a. Provide the full legal name and mailing address of the Respondent.

#### **RESPONSE:**

**Lonestar Investors LP  
c/o Mr. Don Ayres  
American Life, Inc.  
270 South Hanford Street, Suite 100  
Seattle, WA 98134  
(American Life, Inc. is the managing partner for Lonestar Investors LP).**

- b. For each person answering these questions on behalf of Respondent, provide:
- i. full name;
  - ii. title;
  - iii. business address; and
  - iv. Business telephone number and FAX machine number.

**RESPONSE:**

**Mr. Greg Stuesse**  
**Weston Solutions, Inc.**  
**Senior Project Manager**  
**190 Queen Anne Ave N., Suite 200**  
**Seattle, WA 98109**  
**(206) 521-7683 – office**  
**(206) 521-7601 – fax**

**Mr. Keith S. Bean**  
**McDonald Insurance Group Inc**  
**Producer**  
**425-897-6004 Direct Phone**  
**425-897-6005 Direct Fax**

**Mr. Eric Rajski**  
**Imperium Renewables**  
**Plant Manager**  
**(206) 254-0203**

- c. If Respondent wishes to designate an individual for all future correspondence concerning this Site, please indicate here by providing that individual's name, address, telephone number, and fax number.

**RESPONSE:**

**All communications to Respondents should be directed to:**

**Mr. Don Ayres**  
**American Life, Inc.**  
**270 South Hanford Street, Suite 100**  
**Seattle, WA 98134**  
**(206) 381-1690 ext. 115 – office**  
**(206) 361-2166 – fax**

- d. State the dates during which Respondent held any property interests at or within one-half mile of the above mentioned address.

**RESPONSE:**

**The period of ownership for subject property at 6335 1<sup>st</sup> Ave. S is from 31 May 2000 to present. Respondent owns no other properties.**

- e. State the dates during which Respondent conducted any business activity at or within one-half mile of the above mentioned address.

**RESPONSE:**

**The period of ownership for the subject property is from 31 May 2000 to present.**

- f. Describe the nature of Respondent's business activities at the above mentioned address or within one-half mile of that address.

**RESPONSE:**

**Respondent owns investment real property. The subject property is managed by American Life, Inc., which activities include property management and tenant improvements.**

- g. In relation to your answer to the previous question, identify all materials used or created by your activities at the above mentioned address, including raw materials, commercial products, building debris, and other wastes.

**RESPONSE:**

**Materials used by the Respondent's activities are associated with tenant improvements and building maintenance. These materials generally include drywall and joint compound, paint, concrete, asphalt patch, as well as materials for the installation and maintenance of plumbing, electrical and HVAC systems.**

- h. If Respondent, its parent corporation, subsidiaries or other related or associated companies have filed for bankruptcy, provide:
- i. the U.S. Bankruptcy Court in which the petition was filed;
  - ii. the docket numbers of such petition;
  - iii. the date the bankruptcy petition was filed;
  - iv. whether the petition is under Chapter 7 (liquidation), Chapter 11 (reorganization), or other provision; and
  - v. a brief description of the current status of the petition.

**RESPONSE:**

**Respondent or other related companies have not filed for bankruptcy.**

**2. Site Activities and Interests**

- a. Provide all documents in your possession regarding the ownership or environmental conditions of the property mentioned above, including, but not limited to, copies of deeds, sales contracts, leases, blueprints, "as-builts" and photographs.

**RESPONSE:**

Several documents were reviewed while preparing this response letter. These documents include the following:

- 1) Statutory Warranty Deed, dated May 31, 2000 and Quit Claim Deed, dated October 7, 2003 (see Attachment A).
- 2) Lone Star Investor Rent Rolls by Lease as of May 18, 2009 (see Attachment B).
- 3) Phase I Environmental Assessment, dated March 23, 2000 (see Attachment C)
- 4) Complete Summary Appraisal of Existing Warehouse and Light Manufacturing Building, dated April 20, 2000 (see Attachment D)
- 5) Floor Plan of the building, dated September 22, 2003 (see Attachment E).
- 6) Questionnaire response prepared by Imperium Renewables [a.k.a. Seattle Biodiesel] who is a former tenant of Lonestar Investors LP (see Attachment F). As presented in Attachment F, the following documents were attached to the response from Imperium Renewables:
  - Production Flow Chart
  - Waste Manifests for years 2005, 2006, and 2007
  - Storm Water Pollution Prevention Plan (SWPPP), dated April 15, 2008
  - Spill Prevention, Control, And Countermeasure (SPCC) Plan, dated February 21, 2007Imperium Renewables sold its assets and assigned its lease to General Biodiesel Seattle LLC, a Delaware limited liability company, effective as of May 31, 2009.
- 7) American States Insurance Company Package and Excess policies issued for the period of 01/24/03 through 01/24/09.
- 8) Tax records from 2002 through 2007.

- b. Provide information on the condition of the property when purchased; describe the source, volume, and content of any fill material used during the construction of the buildings, including waterside structures such as seawalls, wharves, docks, or marine ways.

**RESPONSE:**

The condition of the property when purchased was paved and included a 57,540 square foot warehouse. The warehouse was constructed in 1969, prior to Respondent's ownership. According to the Phase I Environmental Assessment (Attachment C), subsurface soil in the western portion of the property includes fill material that was placed between 1912 and 1920 to straighten the Duwamish River. The Respondent is unaware of the source, volume, and content of fill material beneath the property.

**The waterway bank adjacent to the subject property is owned by Glacier, NW, Inc. and was reconstructed in the fall of 2007 through early 2008.**

- c. Provide information on past dredging or future planned dredging at this site.

**RESPONSE:**

**The subject property does not include a berth or require access to the Duwamish Waterway. No dredging has been completed by Lonestar Investors LP or is planned for the future.**

- d. Provide a brief summary of the activities conducted at the site while under Respondent's ownership or operation. Include process diagrams or flow charts of the industrial activities conducted at the site.

**RESPONSE:**

**Imperium Renewables (a.k.a. Seattle Biodiesel) was the primary tenant located on the property that conducted industrial activities. Although manufacturing operations ceased on September 27, 2007, they formerly manufactured Biodiesel, which is a renewable alternative fuel created from vegetable oils through a chemical process. The chemical process involves reaction of natural oils with an alcohol, and then refining the mixture to create molecules which can be burned in a diesel engine.**

**A production flow chart is included in Attachment F.**

- e. Provide all documents pertaining to sale, transfer, delivery, disposal, of any hazardous substances, scrap materials, and/or recyclable materials to this property.

**RESPONSE:**

**Waste Manifests associated with the Imperium Renewables' manufacturing processes for years 2005, 2006, 2007 are included in Attachment F. The Imperium Renewables plant ceased production on September 27, 2007.**

- f. Provide all information on electrical equipment used at the facility, including transformers or other electrical equipment that may have contained polychlorinated biphenyls (PCBs).

**RESPONSE:**

**As documented in the Phase I (Attachment C), no evidence of potential leakage was observed at the transformers located at the property. The transformers located on the property are owned and operated by Seattle City Light.**

- g. Provide information on the type(s) of oils or fluids used for lubrication of machinery or other industrial purposes, and any other chemicals or products which are or may contain hazardous substances which are or were used at the facility for facility operations.

**RESPONSE:**

**Imperium Renewables used vegetable oil, Methanol, Sodium Methylate 30% (a catalyst) and glycerin for the former production process of Biodiesel.**

- h. Provide any site drainage descriptions, plans or maps that include information about storm drainage which includes, but is not limited to, above or below surface piping, ditches, catch basins, manholes, and treatment/detention or related structures including outfalls. If available, also include information about connections to sanitary sewer.

**RESPONSE:**

**See Attachment F for the SWPPP and SPCC Plan prepared by Imperium Renewables.**

- i. With respect to past site activities, please provide copies of any stormwater or drainage studies, including data from sampling, conducted at these properties. Also provide copies of any Stormwater Pollution Prevention or Maintenance Plans or Spill Plans that may have been developed for different operations during the Respondent's occupation of the property.

**RESPONSE:**

**See Attachment F for the SWPPP and SPCC Plan prepared by Imperium Renewables.**

**3. Information About Others**

- a. Describe any business relationship you may have had regarding this property operations thereon with the following entities:
- i. DeLuca, Denise Loder,
  - ii. DeLuca, Vincent
  - iii. Glacier Northwest, Inc.

**RESPONSE:**

**Denise DeLuca and Vincent DeLuca were the listed brokers for the purchase of the subject property. Denise DeLuca and Vincent DeLuca also have an ownership position for the subject property. Glacier Northwest is currently a tenant at the subject property.**

- b. Provide the names and last known address of any tenants or lessees, the dates of their tenancy and a brief description of the activities they conducted while operating on the above mentioned site.

**RESPONSE:**

**The warehouse on the property is divided into nine leasable units (LS\_A through LS\_I). American Life, Inc. manages the property and the tenant leases. The rent roll providing the names and dates of the current tenants' leases is included as Attachment B of this response letter.**

**With the exception of Imperium Renewables, the activities conducted at the property in seven of the leasable units generally consist of warehousing and merchandise sales. Imperium Renewables historically operated a biofuels manufacturing operation in one leasable unit. The Imperium Renewables plant ceased production on September 27, 2007.**

- c. If not already provided, identify and provide a last known address or phone number for all persons, including Respondent's current and former employees or agents, other than attorneys, who have knowledge or information about the generation, use, purchase, storage, disposal, placement, or other handling of hazardous materials at, or transportation of hazardous materials to or from, the Site.

**RESPONSE:**

**Tenant operator:**

**Mr. Eric Rajski  
Imperium Renewables  
Plant Manager  
(206) 254-0203**

**4. Financial Information**

- a. Provide true and complete copies of all federal income tax documents, including all supporting schedules, for 2002, 2003, 2004, 2005, 2006 and 2007. Provide the federal Tax Identification Number and, if documentation is not available, explain why in detail.

**RESPONSE:**

**The Tax Identification Number for Lonestar Investors LP is (b) (4) Tax returns are included as attachment H.**

- b. Provide the Respondent's financial interest in, control of, or that the Respondent is a beneficiary of any assets (in the U.S. or in another country) that have not been identified

in your federal tax returns or other financial information to be presented to EPA. If there are such assets, please identify each asset by type of asset, estimated value, and location.

**RESPONSE:**

**None**

- c. If Respondent is, or was at any time, a subsidiary of, otherwise owned or controlled by, or otherwise affiliated with another corporation or entity, then describe the full nature of each such corporate relationship, including but not limited to, a general statement of the nature of relationship, indicating whether or not the affiliated entity had, or exercised, any degree of control over the daily operations or decision-making of the Respondent's business operations at the Site;
- i. the dates such relationship existed;
  - ii. the percentage of ownership of Respondent that is held by such other entity(ies);
  - iii. for each such affiliated entity provide the names and complete addresses of its parent, subsidiary, and otherwise affiliated entities, as well as the names and addresses of each such affiliated entity's officers, directors, partners, trustees, beneficiaries, and/or shareholders owning more than five percent of that affiliated entity's stock;
  - iv. provide any and all insurance policies for such affiliated entity(ies) which may possibly cover the liabilities of the Respondent at the Site; and
  - v. provide any and all corporate financial information of such affiliated entities, including but not limited to total revenue or total sales, net income, depreciation, total assets and total current assets, total liabilities and total current liabilities, net working capital (or net current assets), and net worth.

**RESPONSE**

**Not Applicable**

**5. Insurance Coverage**

- a. Provide copies of all property, casualty and/or liability insurance policies, and any other insurance contracts referencing the site or facility and/or Respondent's business operations (including, but not limited to, Comprehensive General Liability, Environmental Impairment Liability, Pollution Legal Liability, Cleanup Cost Cap or Stop Loss Policies). Include, without limitation, all primary, excess, and umbrella policies which could be applicable to costs of environmental investigation and/or cleanup, and include the years such policies were in effect.



- b. If there are any such policies from question "5a" above which existed, but for which copies are not available, identify each such policy by providing as much of the following information as possible:
  - i. the name and address of each insurer and of the insured;
  - ii. the type of policy and policy numbers;
  - iii. the per occurrence policy limits of each policy; and
  - iv. the effective dates for each policy.
- c. Identify all insurance brokers or agents who placed insurance for the Respondent at any time during the period being investigated, as identified at the beginning of this request, and identify the time period during which such broker or agent acted in this regard.
- d. Identify all communication and provide all documents that evidence, refer, or relate to claims made by or on behalf of the Respondent under any insurance policy in connection with the site. Include any responses from the insurer with respect to any claims.
- e. Identify any previous settlements with any insurer in connection with the site, or for any claims for environmental liabilities during the time period under investigation. Include any policies surrendered or cancelled by the Respondent or insurer.
- f. Identify any and all insurance, accounts paid or accounting files that identify Respondent's insurance policies.
- g. Identify Respondent's policy with respect to document retention.

**RESPONSE 5 (a-g):**

**Insurance documentation for the subject property is provided in Attachment G. Responses to Questions 5 a-g are as follows:**

**5.a. Copies of American States Insurance Company Package and Excess policies issued for the period of 01/24/03 through 01/24/09 included in Attachment G. Copies of the policies covering the period of 05/31/00 through 01/24/03 are not available as all non accounting related documents are shredded after 5 years. Copies of those policies could possibly be obtained from Safeco Insurance Company, who was the parent company during the time this risk was insured with American States Insurance Company.**

**5.b.i. Safeco Insurance Company, PO Box 34691, Seattle, WA, 98124.**

**5.b.ii. Package Policies #'s 02-CC-615070-6 (01/24/00-01),  
01-CE-065517-1 (01/24/01-02) & 01-CE-965517-2 (01/24/02-03).**

**5.b.ii. Umbrella/Excess Policies #'s 01-SU-274606-1(03/01/00-01/24/01),  
01-SU-274606-2 (01/24/01-02) & 01-XS-132432-1 (01/24/02-03).**

**5.b.iii Package Policies, \$1,000,000 per occurrence policy limits.**

**5.b.iii Umbrella/Excess Policies, \$1,000,000 per occurrence policy limits.**

**5.b.iv. See question 5.b.ii.**

**5.c. McDonald Insurance Group Inc, PO Box 3089, Kirkland, WA, 98083 was the insurance agency handling the coverage during the period of 05/31/00 through 04/11/08. Keith S. Bean was the agent within McDonald who was the producer on the account.**

**5.d. No claims were filed on this site during the time that American States Insurance Company was providing coverage.**

**5.e. No previous insurance settlements of any type were brought to the attention of McDonald Insurance Group Inc.**

**5.f. Included are screen prints of the policy screens showing total premiums billed for each policy term for both the Package and Umbrella/Excess policies.**

**5.g. McDonald Insurance Group Inc retains accounting documents for 7 years; all other documents are retained for 5 years. After 7 or 5 years all documents are shredded. Documents have been imaged into the computer since about 01/01/03. The policies included in this package were printed out of McDonald Insurance Group's computer system.**

**6. Compliance with This Request.**

- a. Describe all sources reviewed or consulted in responding to this request, including, but not limited to:
- i. the name and current job title of all individuals consulted;
  - ii. the location where all documents reviewed are currently kept.

**RESPONSE**

**6.a.i:**

**Mr. Don Ayres  
American Life, Inc.  
270 South Hanford Street, Suite 100  
Seattle, WA 98134**

**Mr. Greg Stuesse  
Weston Solutions, Inc.  
Senior Project Manager**

**190 Queen Anne Ave N., Suite 200  
Seattle, WA 98109  
(206) 521-7600 – office  
(206) 521-7601 – fax**

**Mr. Keith S. Bean  
McDonald Insurance Group Inc  
Producer  
425-897-6004 Direct Phone  
425-897-6005 Direct Fax**

**Mr. Eric Rajski  
Imperium Renewables  
Plant Manager  
(206) 254-0203**

**6.a.ii:**

**American Life, Inc.  
270 South Hanford Street, Suite 100  
Seattle, WA 98134**

**DECLARATION**

I declare under penalty of perjury that I am authorized to respond on behalf of Respondent and that the foregoing is complete, true, and correct.

Executed on June 22, 2009

Donald R. Ayres  
Signature

Donald R. Ayres  
Type or Print Name

Property manager  
Title

Mailing Address: 270 S. Hamford Suite 100  
Seattle, WA 98134

Note: Attachments A-H are provided as separate pdf files on the transmitted CD

## **ATTACHMENT A**

# **ATTACHMENT B**

# **ATTACHMENT C**

# **ATTACHMENT D**



# **ATTACHMENT E**

# **ATTACHMENT F**

# **ATTACHMENT G**

# **ATTACHMENT H**